

EXHIBIT A
(Deposition Transcript of Kevyn Orr)

KEVYN ORR
CITY OF DETROIT, MICHIGAN

September 16, 2013
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Page 1		Page 3
1	IN THE UNITED STATES BANKRUPTCY COURT	1 APPEARANCES (continued):
2	EASTERN DISTRICT OF MICHIGAN	2
3	SOUTHERN DIVISION	3 LOWENSTEIN SANDLER LLP
4		4 By: Sharon L. Levine
5	In re Chapter 9	5 65 Livingston Avenue
6	CITY OF DETROIT, MICHIGAN, Case No. 13-53846	6 Roseland, NJ 07068
7	Debtor. Hon. Steven W. Rhodes	7 973.597.2374
8	/	8 -and-
9	VIDEOTAPED DEPOSITION	9 AFSCME
10		10 By: Michael L. Artz
11	DEPONENT: KEVYN ORR	11 Tiffany Ricci
12	DATE: Monday, September 16, 2013	12 1101 17th Street, NW
13	TIME: 10:08 a.m.	13 Suite 900
14	LOCATION: MILLER CANFIELD PADDOCK & STONE PLC	14 Washington, D.C. 20036
15	150 West Jefferson, Suite 2500	15 202.775.5900
16	Detroit, Michigan	16 Appearing on behalf of AFSCME
17	REPORTER: Jeanette M. Fallon, CRR/RMR/CSR-3267	17
18		18 CLARK HILL PLC
19		19 By: Jennifer K. Green
20		20 500 Woodward Avenue, Suite 3500
21		21 Detroit, MI 48226
22		22 313.965.8274
23		23 Appearing on behalf of Retirement Systems
24		24
25		25
Page 2		Page 4
1	APPEARANCES:	1 APPEARANCES (continued):
2		2
3	JONES DAY	3 WILLIAMS WILLIAMS RATNER & PLUNKETT PC
4	By: Gregory M. Shumaker	4 By: Ernest J. Essad, Jr.
5	Dan T. Moss	5 380 N Old Woodward Ave Ste 300
6	51 Louisiana Avenue, NW	6 Birmingham, MI 48009
7	Washington, D.C. 20001.2113	7 248.642.0333
8	202.879.3939	8 Appearing on behalf of FGIC
9	Appearing on behalf of the Debtor	9
10		10 SIDLEY AUSTIN LLP
11	DENTONS	11 By: Guy S. Neal (appearing via LiveNote Streaming)
12	By: Anthony B. Ullman	12 1501 K St., NW
13	620 Fifth Avenue	13 Washington, D.C.
14	New York, NY 10020.2457	14 202.736.8000
15	212.632.8342	15 Appearing on behalf of National Public Finance
16	Appearing on behalf of Retirees Committee	16 Guarantee Corp.
17		17
18	COHEN WEISS AND SIMON LLP	18 WINSTON & STRAWN LLP
19	By: Peter D. DeChiara	19 By: Bianca M. Forde (appearing via LiveNote Streaming)
20	330 West 42nd Street	20 200 Park Avenue
21	New York, NY 10036.6979	21 New York, NY 10166.4193
22	212.356.0216	22 212.294.4733
23	Appearing on behalf of UAW	23 Appearing on behalf of Assured Guaranty Municipal
24		24 Corp.
25		25 ALSO PRESENT: Mark Meyers, videographer



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<p>1 A. Yes, I said that.</p> <p>2 Q. And were you writing truthfully when you said that?</p> <p>3 A. Yeah, and I think the balance of the paragraph, the</p> <p>4 news reports state that opponents of the prior law are</p> <p>5 already lining up to challenge this law. So as I just</p> <p>6 testified, this was my preliminary analysis based upon</p> <p>7 a number of sources, some of them were the news</p> <p>8 reports.</p> <p>9 Q. And you were aware in fact that as you just indicated</p> <p>10 that there were either challenges already made or that</p> <p>11 were going to be made to the law?</p> <p>12 A. I was not aware that there were challenges already</p> <p>13 made. I was aware the news report states that</p> <p>14 opponents of the prior law were already lining up to</p> <p>15 challenge the law.</p> <p>16 Q. And did you have any understanding at this time as to</p> <p>17 what those grounds of challenge were or may be?</p> <p>18 A. No. As I said, this was, you know, within the span of</p> <p>19 a day when this was going back and forth about what it</p> <p>20 may require, I was beginning to familiarize myself to</p> <p>21 some degree with the statute.</p> <p>22 Q. Your email goes on to say you're going to speak with</p> <p>23 Baird in a few minutes and see what his thinking is.</p> <p>24 A. Yes.</p> <p>25 Q. Did you speak with Mr. Baird that day?</p>	<p>Page 49</p> <p>1 potential ground for challenge, was that it allowed</p> <p>2 the governor to authorize a bankruptcy filing without</p> <p>3 imposing a condition that would prevent pension</p> <p>4 obligations from being impaired?</p> <p>5 A. I don't know if I was aware of that issue at this</p> <p>6 time, no.</p> <p>7 Q. Well, were you aware -- you became aware of it if not</p> <p>8 then at some point shortly thereafter; correct?</p> <p>9 A. Yeah, let me say this. There was no broad based</p> <p>10 concern at this point about with what the authority</p> <p>11 was with regards to pensions so any sort of</p> <p>12 insinuation that that was the focus at this point is</p> <p>13 just inaccurate. That wasn't true. This as I said</p> <p>14 before was a very cursory and initial sort of review</p> <p>15 of what I was being asked to do so when I had a</p> <p>16 discussion with Mr. Baird later I would have some</p> <p>17 information and that's what I gleaned based upon a few</p> <p>18 hours since apparently I got the call -- I was</p> <p>19 informed that day, that morning or the day before to</p> <p>20 the time I was going to have a call that afternoon.</p> <p>21 Q. But I take it at some point in time you became aware</p> <p>22 that Article 9, Section 24 of the Michigan</p> <p>23 Constitution protects pension benefits from being</p> <p>24 diminished or impaired?</p> <p>25 A. I believe at some point in time I became aware that</p>
<p>1 A. I don't recall, but I probably did.</p> <p>2 Q. And do you recall any discussions with Mr. Baird that</p> <p>3 day on the subject of the possibility of a Chapter 9</p> <p>4 filing by the City?</p> <p>5 A. No. I don't recall any discussions with Rich Baird</p> <p>6 about the possibility of a Chapter 9 filing at this</p> <p>7 point, no.</p> <p>8 Q. Okay. But clearly at this point in time one of the</p> <p>9 things you were focused on was the possibility of a</p> <p>10 Chapter 9 filing and the legal issues that might</p> <p>11 pertain to that as reflected in this email; correct?</p> <p>12 A. As I have said before, the issue of a Chapter 9 filing</p> <p>13 had been discussed many, many times with regard to</p> <p>14 Detroit for the better part of the prior decade, so in</p> <p>15 doing my sort of due diligence of what the statute</p> <p>16 required, part of what I was doing was reading some of</p> <p>17 those very articles that I mentioned earlier today</p> <p>18 where some of the prior City employees were</p> <p>19 recommending that there was a filing in 2005 in</p> <p>20 connection with the cops, 2006 with the cops, 2009</p> <p>21 with the SWAPs, so yes, Chapter 9 had been discussed</p> <p>22 many, many times in the papers I was reading.</p> <p>23 Q. And from all the discussions that you had to date with</p> <p>24 various people including those at Jones Day, were you</p> <p>25 aware that one of the issues with PA 436, one</p>	<p>Page 50</p> <p>1 Article 9, Section 24 purports to protect pensions and</p> <p>2 benefits in certain circumstances, yes.</p> <p>3 MR. ULLMAN: Let's mark Exhibit 5.</p> <p>4 (Marked Exhibit No. 5.)</p> <p>5 Q. Exhibit 5 is just a printout of Article 9, Section 24</p> <p>6 of the Michigan Constitution. Do you recognize it as</p> <p>7 such?</p> <p>8 A. I mean, the document speaks for itself, but that</p> <p>9 appears to be what it is, yes.</p> <p>10 Q. Okay, and I think your last answer you said that in</p> <p>11 your view Section 24, Article 9 purports to protect</p> <p>12 pensions and benefits in certain circumstances.</p> <p>13 A. Yes.</p> <p>14 Q. And are you contending that the words of Article 9,</p> <p>15 Section 24 means something other than what they say?</p> <p>16 MR. SHUMAKER: Objection, calls for legal</p> <p>17 conclusion.</p> <p>18 A. Yeah, I -- here again, I think the document speaks for</p> <p>19 itself. I think that my response to that issue is</p> <p>20 throughout the arc of my career, whether in federal</p> <p>21 government or in private practice at the Chrysler</p> <p>22 case, there have been many state laws, some of them</p> <p>23 quite sacrosanct, that have been abrogated by federal</p> <p>24 law, not just bankruptcy law. At the RTC we preempted</p> <p>25 state, New York state, rent control litigation, law;</p>
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1 wasn't. It was the Emergency Manager's duties writ 2 large. 3 Q. And when you say you were pouring over the law, you 4 yourself were doing legal analysis, reading various 5 laws; is that right? 6 A. Yes, I was trying to get background information, yes. 7 Q. And as part of that background information did you 8 read Article 9, Section 24 of the Michigan 9 Constitution? 10 A. I may have. 11 Q. Is there any question in your mind that you didn't? 12 A. I – if you have a document to refresh my 13 recollection, I'm happy to look at it. Sitting here 14 on this day on February 20th, I don't recall whether 15 or not I read that article of the constitution. 16 Q. There's no question that at some point after February 17 20th you read Article 9, Section 24 of the Michigan 18 Constitution; correct? 19 A. My testimony is it may have been before or after the 20 20th. I don't recall whether I did that sitting here 21 today. 22 Q. Okay, but it was either one or the other, but you 23 certainly have read it? 24 A. Yes, I've read it. I read it today. 25 Q. And you read it before you became Emergency Manager;	Page 69	1 fact going to be the Emergency Manager for the City of 2 Detroit? 3 MR. SHUMAKER: Objection, calls for 4 speculation. 5 A. No. 6 Q. And you agree the document speaks for itself; don't 7 you? 8 A. I just said that. 9 MR. ULLMAN: Maybe this would be a good 10 time for a break. 11 THE VIDEOGRAPHER: Going off the record at 12 11:28 a.m. 13 (A brief recess was taken.) 14 THE VIDEOGRAPHER: We're back on the record 15 at 11:42 a.m. 16 BY MR. ULLMAN: 17 Q. Mr. Orr, is it correct that prior to the official 18 announcement that you said was in March – on March 19 13th or 14th you had had conversations with the State 20 where you said that you would take the OM job – I'm 21 sorry, the EM job? 22 A. I think at that time in all fairness it was EFM. 23 Q. Correct. 24 A. Prior to the official announcement? I think at some 25 point I became the candidate select, but I don't think	Page 71
1 didn't you? 2 A. Yes. 3 Q. One other question on this document actually. As you 4 look at page 460, at the bottom there's a February 21 5 email. 6 A. Yes. 7 Q. And it refers to point 8 of the attachment. This 8 again has to do with the mayor's existing executive 9 team; right? 10 A. Yes. 11 Q. And in this time -- this is from Mr. Baird again; 12 right? 13 A. Yes. 14 Q. And he's really explicit. He says, other than a few 15 grammatical nits, and some more language around point 16 8, so we can manage expectations if Kevyn needs to 17 make some personnel changes. So he's clearly 18 referring here to you making personnel changes that 19 could affect the mayor's existing executive team; 20 isn't he? 21 A. Yes, this wasn't written to me, but I'll read it. I 22 mean to myself. Yes, document speaks for itself, but 23 that seems to say that. 24 Q. Isn't it clear at this point that it was envisioned 25 and understood that Kevyn Orr, you Mr. Orr, were in	Page 70	1 that I actually accepted the job -- that I was going 2 to take the job until the day I resigned, which was 3 March 15th. I mean, I may have said yes, I'm all in 4 or something like that, subject to background 5 investigation and stuff like that. 6 Q. And that would have been sometime prior to March 13th? 7 A. I think I became the finalist sometime prior to March 8 13th, yes. 9 Q. And that's when it became final subject to passing the 10 background, yes? 11 A. Right, and resigning from the firm and some other 12 things. 13 Q. Now, at that point and time and up to the time that it 14 became official that you were going to be the EM, did 15 you have any conversations with anyone at the state or 16 city level about the possibility of the Chapter 9 17 filing? 18 A. Probably, yes. 19 Q. And can you tell me with whom those conversations took 20 place and when? 21 A. No, I don't think I had them – those types of 22 conversations with Rich Baird, those were more about 23 the job requirements and background. If you have 24 something to refresh my recollection. 25 Q. I'm just asking a question.	Page 72



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